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CHAPTER 12

ORDERS, EARNINGS AND BILLINGS

1201 PURPOSE

★ To provide guidance on procedures to be used by the Army and Defense activities who perform work or sell property/services on a reimbursable basis. Additional guidance is found in the Department of Defense Financial Management Regulation (DoDFMR), Volumes 11A and 11B. This chapter must be used in conjunction with those DoDFMRs.

1202 REIMBURSEMENTS

120201. Reimbursements to appropriations (appropriation reimbursements) are amounts earned and collected for property sold or services furnished, either to the public or another U.S. Government activity. To be an appropriation reimbursement, the collection must be authorized by law for credit to the specific appropriation or fund account (e.g., sales to the private sector normally cannot be done without statutory approval). Within the Army a reimbursement program must be authorized for the account. Except for refunds, collections that are not authorized as appropriation reimbursements will be deposited to the general fund of the Treasury as miscellaneous receipts. Collections, in the absence of an authorized reimbursable program for goods and services, do not create nor provide budgetary resources.

120202. U.S. Government activities may be authorized to accept orders for goods or services from other U.S. Government or non-governmental activities. Before using reimbursable orders, a buyer/seller (ordering/performing activity) relationship must exist. The seller (performing activity) must have the authority to accept reimbursable orders and a normal duty mission that allows it to provide the goods or services needed by the buyer (ordering activity) or authority from the next higher level of command. A written agreement, signed by authorized representatives of the ordering/requesting and performing activity, becomes mutually binding.

1203 RESPONSIBILITIES

120301. Managerial accountants will:

A. Monitor and analyze the installation's reimbursement programs and advise resource managers of problem areas. Thorough analysis may detect:

1. Insufficient or lack of necessary agreements that establish an ordering/performer relationship.
2. Mission conflict-direct versus reimbursable.
3. Inability to perform.

4. Faulty estimating practices.
 5. Distorted status of funds available.
 6. Unnecessary or overstated customer obligations.
 7. Overly optimistic delivery schedules.
 8. Document processing breakdowns.
 9. Customer requirements funded by performer's direct funds.
 10. Loss or waste of customer (ordering activity) or performer resources.
 11. Customer (ordering activity) failure to meet payment terms.
- B. Provide reimbursable activity execution results and ensure that activity directors understand how their actions affect the financial data/reports.
- C. Perform thorough analysis to predict potential cash or funding problems or highlight execution variances (planned versus actual) that may need immediate attention.
- D. Control and validate reimbursable transactions by:
1. Comparing program document distributions by major program, detail reimbursement source code (RSC), and performing activity director to the actual orders of the previous fiscal year.
 2. Identifying disproportionate relationships and coordinating with the budget officer to identify planned changes in command activity or to correct possible reimbursable program errors.
 3. Validating the total funded reimbursable program to the funded reimbursement authority (FRA) on the Fund Allowance System (FAS) documents and /or fund authorization document (FADs).
 4. Ensuring that reimbursable orders (other than Military Standard Requisition and Issue Procedures (MILSTRIP) requisitions), regardless of documentation form, include the following types of information:
 - a. Ordering activity's name and address.

- b. Complete ordering appropriation accounting classification (U.S. Government orders only).
 - c. Ordering official's name, title, signature, and date.
 - d. Ordering activity's fund certifier's name, title, signature and date.
 - e. A complete description of the reimbursable service or supplies ordered, including quantities, unit prices, delivery instructions, and total order value.
 - f. Period of performance.
 - g. Projected start and completion dates for the order.
 - h. The basis for identifying reimbursements earned and the billing frequency.
 - i. The type of billing procedures to be used.
 - j. The timing of customer payments.
 - k. The customer number assigned to each order under transmittal letter (TL) control. Furnish this number to the performing program director by the next workday.
 - l. Accepting officer's name, title, signature, and date.
 - m. Performing accounting classification.
 - n. Advance payment information.
 - o. Name and telephone number of performing activity's point of contact (POC) for order status information.
 - p. Name and telephone number of ordering activity's POC for funding and payment information. (Note: Mail all bills requiring payment by check to the supporting Operating Location (OPLOC)/Finance and Accounting Office (FAO) of the ordering activity.)
5. Ensuring reimbursable earnings documentation follow a uniform format for the installation and contain execution information relating to paragraphs 120301.D.4.e, f, h, k, and p, above.

6. Ensuring all reimbursable activity contains reasonable and accurate amounts, and proper accounting period identification.

7. Ensuring proper control document blocking and processing.

8. Verifying the customer order number issued to identify the serviced program director. The locally controlled customer number will have format and content rules that are uniform and meaningful. A uniform format is critical for automated data query, analysis, reconciliation, and follow-up.

120302. Activity directors will provide support in resolving the following:

- A. Delays in starting accepted order requirements.
- B. Poor pricing procedures.
- C. Understated or overstated overhead or administration rates.
- D. Misuse of reimbursable orders.
- E. Delays in transmitting documents to accounting activity.
- F. Prior-year unfilled orders.
- G. Shortage of funds required to complete an order.

120303. The OPLOC or FAO servicing the performing activity is responsible for establishing accounting controls for all orders received and accepted and recording the order as either "funded" or "automatic."

1204 REIMBURSABLE ACTIVITY MANAGEMENT FUNCTIONS

120401. Defined as the use of disciplined processes to receive, control and validate, record, analyze and report on reimbursable activity and related unfilled orders, accounts receivable, and unearned revenues. These processes ensure efficient and effective execution of available funding of the buyer and seller (ordering/requesting and performing activity), and provide accurate, prompt financial information to customers. These functions apply to all types of reimbursable orders.

120402. Receiving includes ensuring that all reimbursable activity documents and transactions are promptly received by the appropriate accounting activity for processing on a TL. A reimbursable transaction establishes:

- A. The program, orders received, or reimbursements earned;

B. The order value; or indirectly affects orders as they are adjusted to an earned reimbursement or actual collection from the customer. It includes monitoring prompt receipt of documents with a local control system applicable to reimbursable activity documents or transactions. The Director for Resource Management (DRM) may issue FRA received by the installation to program/activity directors by resource authorization document (RAD) or similar document. The DRM will provide fund control documents and the annual program detail, by major program and source code, by TL to the appropriate accounting activity. Program directors will submit orders received and reimbursement earned documents by TL. Control all reimbursable collections in the same manner as disbursements.

120403. Recording includes the following procedures for processing of reimbursable activity data:

A. Identify "orders received" transactions to projected order start and completion dates, within the automated accounting system, at the time the order is recorded. This will make order performance (orders versus earnings) analysis much easier because the automated accounting system can identify, via data query techniques, orders that are not being performed as planned.

B. Ensure that the revised cumulative values of order modifications equal the sum of the original order plus or minus all changes. If they do not, record the adjustment based on changes received and request clarification from the program director. Ensure that the necessary documents are received to support the revised net amount.

C. Evaluate the reasonableness of "reimbursements earned" documentation using the order description, delivery schedule, and costs per unit as the basis for analysis. Question program directors about significant variances between order requirements and reimbursable earnings.

D. Include all outstanding orders as part of this joint review.

E. Process reimbursable transactions (for example, orders received/orders accepted) within one workday after receipt.

F. Correct out-of-balance block tickets and process transaction exceptions in the next cycle.

1205 ISSUING ORDERS

★ 120501. The ordering officer cannot be the same person who certifies the availability of funds. Refer to paragraph 120702 for special requirements that must be met before certifying fund availability for acquisitions from non-DoD agencies under the Economy Act.

★ 120502. Negotiate all orders for other than supplies with performing activities prior to initiation.

★ 120503. Orders can be issued on a reimbursable or direct citation basis. However, refrain from issuing MIPRs that require the performing activity to fragment the order in order to execute it.

A. Reimbursable Orders. These are orders placed by an activity or by the General Services Administration (GSA) on a contract funded by the performing activity or GSA, without separate identification of the items or separate citation of the funds of the ordering activity; and with subsequent delivery to and reimbursement by the ordering activity. The reimbursable order is recorded as an obligation by the ordering activity when the performing activity accepts the reimbursable order in writing.

B. Direct Citation. Direct citation means procurement may be accomplished by combining the requirements of one or more ordering activities with those of the performing activity. The performing activity may issue one contract with separate schedules showing the quantities, prices, dollar amounts, and citation of funds of each ordering activity. The ordering activity will record a direct fund cite order as an obligation when the contract or other obligating document citing the ordering activity's funds is received from the performing activity.

★ 120504. Issue orders using DD Form 448 (Military Interdepartmental Purchase Request) in most cases. Direct citation orders may be issued by message, memorandum, or DD Form 448. See Figure 12-1 for completion instructions for DD Form 448. When issuing an order, use the following statements on the DD Form 448:

- A. Direct citation of customer funds issued in accordance with this chapter.
- B. Project order issued in accordance with this chapter and 41 U.S.C. 23.
- C. Economy Act order in accordance with this chapter and 31 U.S.C. 1535.

★ 120505. When an ordering activity places an order on behalf of persons or agencies outside the federal Government, it will indicate this on the order. Require prepayments for services requested by private parties and customers outside of the federal Government.

★ 120506. Show prices on the order or in a list incorporated by reference. When the work to be performed is the subject of a work list (e.g., equipment overhaul), consider each entry on the work list an item.

★ 120507. Do not issue orders to Morale, Welfare and Recreation (MWR) activities/nonappropriated fund instrumentalities (NAFIs). Refer to the DoDFMR, Volume 13, Appendix A.

★ 120508. The ordering activity must include the source of funding on the reimbursable order. When a performing activity issues a subsequent (third party) reimbursable order to fulfill the original request, the source of funding from the original reimbursable order must be included on the subsequent (third party) reimbursable order. Place the source of funding from the original reimbursable order in the description portion of the DD Form 448. Block 14 will contain the funding source of the issuer of the subsequent (third party) reimbursable order. All restrictions and limitations (purpose, time, and amount of the funding source of the original reimbursable order apply throughout the process. On third party reimbursable orders, the original ordering activity is responsible for purpose violations, since their financing appropriation ultimately is charged for the service/goods requested.

1206 ACCEPTING CUSTOMER ORDERS

120601. Accepted customer orders establish an increase in funds available and obligational authority in the performer's allotment/allowance. Unfilled customer orders are the amounts of orders accepted for goods and services to be furnished on a reimbursable basis. For transactions with the public, unfilled customer orders are amounts collected in advance for which the performing activity has not yet provided the goods or services. Additionally, these may be orders from the public received and accepted without payment in advance, when specifically permitted by law. Acceptance of a customer order requires that the performing activity agrees in writing to perform the work for the ordering (customer) activity.

120602. Perform work using the ordering activity's funds (direct fund cite) and/or using the performer's funds with reimbursement by the customer.

A. Direct cite is the chosen financing method in accepting Economy Act Orders for Army activities. Performing Army (non-working capital or revolving funded) activities will accept Economy Act Orders (MIPRs, support agreements, etc.) received from DoD components as direct cite unless in-house costs are to be charged in accordance with (IAW) the DoDFMR, Volume 11A, Chapter 1 or delivery is from existing inventory or diversion from existing contract.

B. Upon receipt of a MIPR, the performing activity will prepare DD Form 448-2. See Figure 12-2 for a sample DD Form 448-2. Upon acceptance of an order as a direct fund cite, performing activities will not further reissue those funds (fund cite provided by the ordering/requesting activity) to another federal Government activity without obtaining the ordering activity's approval.

C. Army activities can either use the DD Form 448-2 for MIPR acceptance from other Army activities or the "stamp" method of acceptance. If the stamp method is used, then the stamp must include the following information:

1. The MIPR number.

2. The name, title and telephone number of the accepting official. Provide sufficient space for his or her signature and the date of acceptance.

3. Blocks to identify if the MIPR is accepted, qualified or rejected, and the reason for the qualification or rejection.

4. Blocks to indicate whether the MIPR is being accepted as a direct cite, reimbursable or split

5. The amount accepted as a reimbursable order.

6. Performer information on amounts no longer required, which are made available for withdrawal.

7. Space for optional information (e.g., a customer number).

8. POC and telephone number.

D. When the Corps of Engineers (COE) is the performing activity, their acceptance of the MIPR may be done systemically. The COE will systemically authenticate and accept the MIPR.

E. When the order is accepted as a direct fund cite, the performing activity will provide obligating documents to the ordering activity in a timely manner so the ordering activity can record the obligation.

120603. Accept orders on a reimbursable basis only if the funding document for the appropriation to be used to finance the work provides this authority. Funded reimbursable orders may be accepted in excess of FRA, but execution cannot begin until additional FRA is received. Do not use direct funds while awaiting additional FRA. OPLOC/FAO servicing the performing activity is responsible for recording the order as either "funded" or "automatic" and for establishing accounting controls for all orders received and accepted.

120604. Do not accept reimbursable orders that are inconsistent with the mission without major command (MACOM) approval.

120605. The accepting officer must be a duly authorized employee of the performing activity.

120606. Upon acceptance, orders become the authority for the performing activity to incur cost IAW with the terms of the order.

120607. Record orders received and accepted, which the performing activity will finance with multi-year appropriation, in the current year of the appropriation.

★ 120608. See the DoDFMR, Volume 11A, Chapter 2 for guidance on fixed price orders.

★ 120609. When "Withdrawal Credit" is authorized by the Office of the Secretary of Defense (OSD), designate the amount of credit to be applied to each project order or other order. Base the amount of credit on the estimated cost of materials and supplies included for which the withdrawal credits were set up. The ordering activity will obligate the order net of such credits.

★ 120610. Two groups of reimbursable orders are subject to centralized control. Do not accept these types of orders until authority is released. These centralized functions are supported through the Order Control module of the Program and Budget Accounting System (PBAS).

A. All reimbursable orders to be recorded/financed in or with Army Procurement Appropriations (APAs); and

B. Foreign Military Sales (FMS) customer orders (97X8242).

★ 120611. Only the Army Corps of Engineers can accept an order financed by Military Construction, Army (MCA).

1207 ECONOMY ACT ORDERS

★ 120701. Additional Guidance. See the DoDFMR, Volume 11A, chapter 3.

★ 120702. Determination and Findings. In addition to the guidance in the DoDFMR, Volume 11A, Chapter 3, paragraphs 030202 and 030203, the following apply:

★ A. The head of the ordering activity may delegate the approval of this determination only as follows:

★ 1. If the performing activity is required to comply with the FAR, the written determination shall be prepared by the ordering activity and approved at a level no lower than Senior Executive Service (SES)/flag/general officer at the ordering activity. In the event the ordering activity does not have an SES/flag/general officer, the commander of the ordering activity shall approve the written determination.

★ 2. If the performing activity is not covered by the provisions of Chapter 137 of Title 10, United States Code, or Title III of the Federal Property and Administrative Services Act of 1949 and is not required to comply with the FAR, the written determination must be approved by the senior procurement executive responsible for purchasing for the ordering agency.

★ B. Program managers shall be responsible for ensuring that a documented "determination and finding" statement is provided prior to committing and obligating funds on

Economy Act orders placed outside DoD. The head of the ordering activity (the commander of the installation issuing the Economy Act order outside of DoD) or designee is responsible for the contents, approval, or accuracy of the documented determination and finding statement.

★ C. A program manager is the individual certifying the availability of funds.

★ 120703. Resolutions of Disagreements. The ordering and performing activities will agree to procedures for the resolution of disagreements that may arise under inter-agency acquisitions, including, in appropriate circumstances, the use of a third party forum. If a third party is proposed, obtain consent of the third party in writing.

1208 PROJECT ORDERS

★ 120801. Additional Guidance. See the DoDFMR, Volume 11A, Chapter 2.

★ 120802. When Not to Issue Project Orders. In addition to the guidance in the DoDFMR, Volume 11A, Chapter 2 do not issue project orders for major new construction of real property.

★ 120803 Specific Instructions.

★ A. Issue project orders on DD Form 448.

★ B. Project orders may include the cost of special machinery or equipment to be used in performance of the order if the item and its costs are in the terms of the order, and are separate and distinct from other costs. Any special machinery and equipment becomes the property of the ordering activity, and the ordering activity provides instructions for its disposal.

★ C. An Army component, having immediate and direct management responsibility for a program (or part of a program), is authorized to issue project orders for the program. Commanders at a level higher than that of the component having such program responsibility will not issue project orders.

★ D. Ordering activities will combine small orders for similar items on a single project order, when possible, to reduce the total number of orders.

★ E. Performing activities can accept project orders at any time in the fiscal year in which delivery of production is scheduled, provided the obligation life of the financing appropriation has not expired. The only exception is that performing activities can NOT accept RDT&E funded orders after the first year of availability.

★ F. When the end-time production delivery schedule dictates a work start date that is after expiration of the financing appropriation, accept the project order in the final year of the obligation life of the appropriation.

★ G. Since testing normally accompanies production, for production acceptance testing at GOGO test facilities the customer will ensure that production is ongoing before issuing the production acceptance test project order. If delivery is not expected until after expiration of the appropriation, issue project orders prior to expiration of funds. The expiration date (including extensions) of RDT&E orders will not extend more than three months into the second year of availability. Do not initiate new project orders in the second year of availability.

1209 EMERGENCY ORDERS

For emergency situations, work may begin before an order is received, if approved by the performing activity's commander or equivalent. These orders (called commander's orders) are subject to the following conditions:

120901. There must be a bona fide emergency arising from unforeseen needs.

120902. The performing activity must have assurance that an order will be issued promptly.

120903. Emergency orders expire 30 days from the date that the commander verbally issues the orders.

120904. Do not use emergency orders to compensate for administrative lead time that should have been considered in advance planning.

1210 FUNDED REIMBURSEMENT AUTHORITY (FRA)

121001. FRA is provided on funding documents with specific dollar ceilings. It is available for obligation only to the extent that orders have been received and accepted by the performer. (See section 1206 above).

121002. When an operating agency (OA) accepts and accounts for a funded reimbursable order or when collections are made by or to the credit of an OA, but the related work, services, or sales are done by subordinate installations; use a FAD or FAS document to allot the funds made available by acceptance of the orders to the performing activity.

121003. When processing Defense Reutilization Marketing Service sales as funded reimbursements, costs incurred are reimbursable up to the amount of FRA specified on the funding document.

1211 AUTOMATIC REIMBURSEMENT AUTHORITY (ARA)

121101. ARA is provided without dollar ceiling. The type of order, whether funded or automatic, depends on the financing appropriation, not the work or services being provided.

121102. The following are examples of items that may be accounted for as automatic reimbursements.

A. On the basis of specific orders:

1. Service to tenants or satellite activities.
2. Sales of supplies or services to customers financed by other allotments, appropriations, or funds.
3. Medical care and Medicare services provided by the Army Medical Command (MEDCOM) activities (see AR 40-3, Medical, Dental, and Veterinary Care).
 - a. Medical care furnished by Army medical treatment facilities (MTFs) to beneficiaries of certain Federal departments, agencies, and certain categories of patients specified in AR 40-3, Appendix B, are not reimbursable at the local level. The local MTFs will be directly funded through the budgeting process for these expenses, but the responsibility for collection is centrally controlled by MEDCOM.
 - b. The medical services accountable officer (MSAO) will prepare a separate DD Form 7 (Report of Treatment Furnished Pay Patients: Hospitalization Furnished (Part A) and DD Form 7a (Report of Treatment Furnished Pay Patients: Outpatient Treatment Furnished (Part B)) and submit the forms to MEDCOM for each federal department, agency, foreign U.S. Government or country, and each patient category specified in AR 40-3, Appendix B, as centrally reimbursed.
4. Expenses incurred in support of Defense Property Disposal Offices (DPDOs) in accordance with Inter-Service Support Agreements.

B. On the basis of estimates:

1. Communication services.
2. Laundry services for individual cash collections and collections by voucher deduction on manual pay vouchers other than final separation transactions.

C. Other:

1. Collections resulting from claims against carriers, if authorized to be retained in the financing appropriation.
2. Reimbursements for FMS training of foreign personnel by the Army.

1212 EXECUTING CUSTOMER ORDERS

121201. Do not administer or account for orders as separate subdivisions of funds. The ordering activity will perform appropriation type accounting for the order as if it were a contract.

121202. The performing activity cannot exceed the amount of the order or the direct fund cite. If the performing activity cannot perform on schedule or complete the order, it will promptly notify the ordering activity. If it becomes evident that goods or services to be provided will exceed the estimated costs, the performing activity will immediately notify the ordering activity and curtail or cease performance, as necessary, to avoid exceeding the estimated cost. Failure in this regard may result in the performing activity violating 31 U.S.C. 1301(a) and 1341(a). The ordering activity may then amend or terminate the order.

121203. Performing activities will notify ordering activities when the value of the order exceeds funding needs and prior to completion of orders. Notification will be made by either DD Form 448-2, letter or message depending on source of document received and used by the performing activity. Upon completion of the orders, the performing activity will reduce orders accordingly. If unused funds are returned, ordering activities will use this notification to reduce obligations. Performing activities will review unexecuted balances of reimbursable orders as of June 30, July 31, and August 31 and promptly return excess funds to the ordering activities. The Army Corps of Engineers will notify ordering activities of unused funds provided for contingencies.

121204. When an ordering activity cancels or stops an order prior to completion, the performing activity will add closing costs to the amount to be reimbursed. The total amount to be reimbursed will not exceed the amount of the fixed-price order or the current ceiling amount on cost-reimbursement orders. When the ordering activity, from one military department, and the performing activity, from another, cannot reach an agreement on termination costs, both activities will refer the case to their MACOM for resolution. If the MACOM cannot resolve the dispute, they will refer it to: Headquarters Department of the Army, Deputy Assistant Secretary of the Army (Financial Operations), SAFM-FOF, Pentagon Room 3E572, Washington, DC 20310-0109.

121205. At year-end, performing activities will adjust orders in accordance with year-end instructions and section 1216.

121206. When the start of a project order is delayed beyond 90 days, the performing activity must obtain approval of the delay from the ordering activity. The ordering activity may cancel the order and procure the material or services from another source.

121207. For cost reimbursement project orders, the performing activity will notify the ordering activity promptly upon learning of any significant change in costs. Notice is required to enable the ordering activity to amend the project order. When estimated ceiling amounts show a need for adjustment, the ordering and performing activities will negotiate.

Finalize negotiations and adjustments before costs exceed 75 percent of the obligated project order amount. The performing activity must absorb minor differences.

121208. Convert a cost reimbursement project order to a fixed price project order if:

- A. The conditions in paragraph 120608 exist.
- B. No more than 50 percent of the cost of the work has been incurred.
- C. No more than 50 percent of the period of performance has expired.

121209. If project orders that combine small orders for similar items are not completed within 60 days after fiscal year-end, performing activities will return unused funds to the ordering activity.

121210. Defense Working Capital Fund (DWCF)/Army Working Capital Fund (AWCF) installations operating their own dispensaries, first aid rooms or other facilities will collect for services provided to patients who are covered by the Bureau of Employee's Compensation.

1213 REIMBURSEMENTS EARNED

Reimbursements earned are costs incurred in the completion of customer orders by the performing activity. Use these costs as a basis for billing the ordering activity. Bill in accordance with the terms of the related reimbursable order. Rules for recording reimbursement earnings are:

121301. Record earnings for all costs that can be readily identified to an order.

121302. Provide documentation to support the recording of reimbursements earned, (consists of job orders, issue and turn-in slips, shipping documents, sales documents or equivalent instruments that are evidence of performance) and/or administratively prepared estimates of accruals where performance documents do not exist. As a minimum, earnings documents will include:

- A. A dollar amount of the earning.
- B. A complete description of the services performed or supplies issued.
- C. The period of performance.
- D. Identification of the earnings, to match them with the related order.
- E. Name and telephone number of the performing activity.

121303. Reimbursements earned will never exceed the amount of the accepted order.

121304. Do not record earnings for the sale of material until seven days after the material release order for shipment is issued.

121305. Record earned reimbursements and bill promptly in the accounting period earned. When decisions are made to waive small amounts retroactively, transfer the obligations incurred to the direct program from the reimbursable program.

121306. When products or services are provided to ordering activities after the performing activity's account cancels, do not record earnings in the cancelled account. Instead, to the extent that no advance collections (unearned revenues) were received from the ordering activity when the performing activity's account cancelled, maintain the receivable in the residual records for the cancelled account. Performing activities will then deposit to the miscellaneous receipts, any collections received for these accounts receivable by:

A. crediting the miscellaneous receipt account on all billings to ordering activities for products or services provided for valid unfilled orders in the performing activity's cancelled accounts; and

B. charging the ordering activity's financing account if the ordering activity's account is not cancelled or requesting from the ordering activity an unexpired account fund cite to charge if the ordering activity's financing account has cancelled.

1214 UNEARNED REVENUE

121401. General.

A. Ensure that orders received from the public are not accepted and posted to the accounting records before cash is received in advance. Orders for FMS cases are accepted and posted when evidence of cash payment, dependable undertaking, or alternate financing is received by the Directorate of Security Assistance, DFAS-DE (DFAS-DE/I).

B. Unearned revenue is reduced as earnings are applied to the order.

C. Subsidiary ledger and general ledger accounts are properly posted and reconciled.

★ 121402. Accounting for Unearned Revenue.

★ A. Record an advance or prepayment received as a liability (unearned revenue) until payment is earned (goods or services are delivered or contract terms met). After

the payment is earned (performance has occurred), record the appropriate amount as revenue and reduce the liability.

B. Unearned revenue must never exceed the unfilled order.

★ C. Process advances received as collections and record as a liability. The liability account is intended to record and control advances that are identified by the special 09** series project accounts (see DFAS-IN Manual 37-100-FY). Maintain a record of advances received and settlements made for each order. Maintain orders received with outstanding advances separately. The sum of the outstanding balances in separately maintained advance files must agree with the “Unearned Revenue” general ledger account.

D. When goods are shipped or the services are performed, the performing activity will prepare an SF 1081 to transfer the value of goods delivered or services rendered. Transfer from the accounting classification containing the special project account(s) to the appropriation reimbursement account. It is not necessary to validate the voucher as a normal payment. If necessary, account as a journal voucher adjustment to assure processing in month earned.

E. The OPLOC/FAO will maintain advances received from friendly foreign nations. Table 12-1 shows the accounting classification to be used to account for these advances. Upon request for reimbursement from the nation that made the advance, verify the amount shown in the advance account with the amount of reimbursement requested. Prepare a SF 1034 charging the advance account 0975 (see DFAS-IN Manual 37-100-FY). Cite the fiscal station number (FSN) of the activity receiving the advance, per DoDFMR, Volume 5.

F. Valid unearned revenue liabilities remain in the performer’s cancelled account. When accounts are closing, performers will not return to customers valid advance collections (unearned revenue) received from customers prior to the performer’s account closing.

★ 121403. Reporting Unearned Revenue. Report outstanding advances on the RCS CSCFA-112/ (Status of Reimbursement) report as credit reimbursement receivables.

1215 WRITE-DOWN PROCEDURES

121501. Reimbursable orders can be written-down during the year when it is known that work is completed. The performing activity determines when work is done and how much can be returned to the ordering activity. The ordering activity prepares the modification to withdraw funds.

121502. All performing activities that are accounting for customer orders funded by multiple year appropriation shall retain the unearned and unobligated balances of valid unfilled reimbursable orders with the unexpired appropriation current at the time the customer order was accepted. Customer orders of unexpiring multi-year performing appropriations, financed by unexpiring appropriations, are no longer written down at fiscal year end. Any travel

or labor charged (by the performing activity) against such orders in the subsequent year will cite the prior year appropriation of the performing activity which accepted the order. This is done using the appropriate account processing code (APC)/Job Order established upon order acceptance.

121503. Unobligated balances from customer orders in the current fiscal year that have been established in the current year or transferred from prior year unobligated balances shall be retained as part of the current year appropriation reimbursable authority until:

- A. the reimbursable work is complete, or
- B. the funds cited on the customer order expire for obligation, or
- C. the accepting appropriation expires for obligation.

1216 DETERMINING CHARGES FOR SUPPORT PROVIDED TO OTHER DEPARTMENTS AND FEDERAL AGENCIES (CROSS-SERVICING)

121601. When possible, specify the basis for determining reimbursement in servicing agreements prior to furnishing the service. Charge the cost of travel, per diem, and/or non-personal services performed as part of cross-servicing support to the requiring activity. Cite the funds of the ordering activity on bills of lading for transportation that is part of the cross-servicing support. Bill ordering activities for utilities at cost, if they are a separate and distinct service and not incidental to another cross-service support agreement.

121602. Determine the amount to charge for cross-service support using appropriate sources (e.g., Army Master Data File (AMDF) for Army Working Capital Fund (AWCF) items.)

1217 BILLING PROCEDURES

121701. Also see DoDFMR, Volume 11A and Volume 11B, Chapter 61.

121702. All SF 1080s must provide adequate documentation for accountability and certification.

A. The On-Line Payment and Collection (OPAC) system is the preferred method of payment for SF 1080 reimbursable billings.

B. Effective July 1, 1998, all U.S. Government to U.S. Government 1080 reimbursable billings will be processed through OPAC. Requests for specific exclusions to this policy must be sent to the DFAS Center for Sustaining Forces-Indianapolis, ATTN: DFAS-IN-RAA, 8899 E. 56th St, Indianapolis, IN 46249-1326.

1218 ACCOUNTING FOR REIMBURSEMENTS FOR BUSINESS DEVELOPMENT EXPENSES (BDE)

121801. BDE represents the difference between the contract price and the price required on the open market for contracts negotiated by the Small Business Administration (SBA) under Section 8(a) of the Small Business Act. Contracting agencies pay the contractor the full contract price for delivered goods/services and recover from the SBA that portion of the contract price identified as BDE. The recovered amount increases funds available for the contracting agencies.

121802. When Section 8(a) contracts are awarded, the servicing OPLOC/FAO will establish reimbursable order for the full amount of BDE under the contract. At the same time, the servicing OPLOC/FAO records an earning and submits an SF 1080 bill and a copy of the contract to the SBA for that amount. The SF 1080 will cite the contract number, applicable funding citation and the purpose for which the funds are requested. Mail the SF 1080 to: Small Business Administration, Office of Financial Operations, Fiscal Examination Branch, P.O. Box 660, Denver, CO 80201-0660.

121803. Credit BDE advances received that are over \$1,000 to special advance account 946 (DFAS-IN Manual 37-100-FY). Record advances received for \$1,000 or less as revenue and collect into the appropriate reimbursable accounting classification.

121804. Except as provided in paragraph 121802, recognize earnings as performance deliveries are made per the contract. Servicing OPLOC/FAO will identify all earnings associated with BDE advances to ensure proper clearance of the advance from project account 946 (See DFAS-IN Manual 37-100-FY).

121805. Ensure that any BDE collected in advance is actually earned. Upon contract completion or expiration, furnish the SBA an accounting of BDE collections/earnings. Reflect any adjustments on an SF 1080 and record them in the accounting records.

1219 FOREIGN CURRENCY FLUCTUATION

121901. If the ordering activity is within DoD and the performing activity is incurring obligations that will be paid in one of the foreign currencies designated in DFAS-IN Manual 37-100-FY (under Obligation Data Code), the performing activity will notify the ordering activity of the amount paid at both the budget execution rate and the actual exchange rate. If the ordering activity is using direct funds and is authorized to use foreign currency fluctuation procedures, the ordering activity will record the obligation at the budget execution rate and will charge or credit the disbursement variance to the applicable centrally managed allotment (CMA) described in DFAS-IN Manual 37-100-FY. If the ordering activity is using reimbursable funds, it will pass the information to its customers.

121902. Three conditions must exist in order for the foreign currency reimbursable procedure to apply:

- A. The ordering and performing activities must both be DoD organizations.
- B. The ordering activity must cite a DoD Operation and Maintenance (O&M), Family Housing O&M, military pay or military construction appropriation on the MIPR.
- C. To complete the specific work or service required by the order, the performing activity must make part of the payment in a qualifying foreign currency. Such currencies are provided in a list issued by the DoD and included in DFAS-IN Manual 37-100-FY under Obligation Data Code section.

121903. When the foreign currency reimbursable procedures apply, the DoD performing activity will:

- A. Advise the ordering activity of that portion of the order that will be filled by use of a qualifying foreign currency. This is the "notification rule".
- B. Recover actual cost of performance, including foreign currency outlays, when billing against the reimbursable order.

1220 ARMY PROCUREMENT APPROPRIATIONS (APA) CUSTOMER PROGRAMS

122001. General.

- A. APA finances the procurement and production of inventory type classified as end items.
- B. Customer orders are received from FMS, other DoD activities (via MIPRs), other Federal sources, other Army installations, and approved public entities.

122002. Order Acceptance.

- A. The Customer Order Control Point (COCP) is responsible for the receipt of all customer orders. The COCP is also responsible for securing FRA and obligational authority. The FRA and obligational authority requirements are requested and justified for the ensuing program year during the fourth quarter. These requirements are developed from outstanding FMS letters of offers, budget submissions of the other services and planning orders of other U.S. Government agencies.
- B. After receiving the order, the COCP forwards the order to the item/program manager for acceptance and determination of order classification, as well as the applicable unfunded cost and surcharges.
- C. The order classification is determined by the current inventory position of the item. The applicable classifications are:

1. CP (Customer peculiar item, sale from inventory) - Orders in which the item is peculiar to the customer and is procured for delivery to the customer.

2. DC (Direct cite, sales from procurement) - Orders for which procurement directly cites the customer funds on the obligation documents. Direct cite is the preferred method of acceptance.

3. ES (Emergency support) - Orders which draw-down Army inventory in support of emergencies under the Foreign Assistance Act, Section 506(A).

4. MR (Miscellaneous receipt) - Orders in which collections are required by law to be deposited into Treasury's General Fund. An example would be an FMS order issued from Army inventory that will not be replaced.

5. RM (Replacement and modernization of Army inventory) - Orders in which the item is sold from stock and Army's inventory is later replenished through procurement of an improved version or acceptable substitute. Prior to classifying an order as RM, forward proposed RM sale to HQDA for approval.

6. RP (Retention of inventory, sales from procurement) - Orders in which the item is common to both the customer and the Army, but not currently available from the Army's inventory.

7. RS (Retention of inventory, sale from stock) - Orders in which the item is sold from stock and Army's inventory is later replenished through procurement of like or identical items. The replacement must be authorized in the current Future Years Defense Program (FYDP) and cannot exceed the Authorized Acquisition Objective (AAO).

8. UN (Unclassified)- Orders for which sufficient FRA is not available for establishing a valid APA reimbursable order (CP, RM, RP, RS) or upward order adjustment.

D. After acceptance and classification by the program manager, the order is returned to the COCP for action.

1. For orders accepted into APA on a reimbursable basis (CP, RM, RP, RS), the COCP will reserve FRA and provide obligation authority in the amount of the order through PBAS.

2. If there is insufficient FRA, the COCP will reclassify the order as UN and enter it into PBAS. Retain UN orders without action until they are either canceled, written down, or FRA becomes available and the order can be reclassified. Customer orders identified on departmental reports as UN will justify requests for additional FRA.

3. Orders in which the proceeds will be deposited into Treasury's General Fund will be accepted into a miscellaneous receipt account (See DFAS-IN Manual 37-100-FY).

4. Orders accepted as DC mean that the performing activity will perform the work using the ordering activity's funds (direct fund cite).

5. The ES classification was established to support Section 506A of the Foreign Assistance Act. Materiel is supplied to a foreign customer in compliance with an Executive Order, but this transaction does not constitute an authorized order. The sale and accounts receivable are not formalized until final disposition is directed by Congress. The title to the delivered materiel rests with the U.S. Government and will be classified officially as "Inventory Temporarily In Use". The Congress will either direct the write-off of the order or will authorize the sale. If the Congress authorizes the funds to finance the action, reclassify the order as RS in the year of the congressional action.

E. The acceptance of the order is returned to the customer. If order is accepted into APA, this acceptance obligates the customer's funds.

F. A copy of the order and the acceptance and funding document are forwarded to the performing activity for execution.

G. A copy of the order and the acceptance and funding document are also provided to the OPLOC/FAO for posting orders accepted in APA or the miscellaneous receipt account (See DFAS-IN Manual 37-100-FY). All new orders will cite the current program year.

122003. Execution of APA Reimbursable Orders.

A. RP and CP customer orders require procurement and will result in an obligation. As costs are incurred by the performer (disbursements), bill the customer.

B. RS and RM customer orders are supplied from stock. Bill customers at the negotiated order price. Only RS orders will result in obligations when the Army's inventory is replenished through procurement of a like or identical item. Available funds from the accepted order will control replacement procurement, not quantity provided. Funds for the replacement buy to RM orders are secured through the conversion of FRA to direct program, Army. To convert FRA to direct program, a reprogramming action must be submitted to the Assistant Secretary of the Army Financial Management and Comptroller (ASA(FM&C)) for approval. Reprogramming action must be accomplished prior to fiscal year-end.

C. The COCP will continue to follow-up with the performing activity to ensure customer orders are processed. Upon notification of excess funds, the order is amended.

1221 REIMBURSEMENT FOR DISASTER RELIEF OPERATIONS OR CIVIL DISTURBANCES.

122101. Reimbursement for Disaster Relief. For reimbursement for disaster relief, refer to the DoDFMR, Volume 12, Chapter 6.

122102. Reimbursement for Civil Disturbances.

★ A. DFAS Center for Sustaining Forces - Indianapolis will accumulate costs incurred by DoD components separately for each location (city or town) at which an incident occurs, from the time the first action is taken to provide DoD resources until such resources are withdrawn.

B. Provisions herein apply to all Army activities responsible for the military resources which may be employed in civil disturbances.

C. Finance the costs of Army resources employed or provided in connection with civil disturbance operations in accordance with the guidelines below.

122103. Resources Employed Under a Presidential Directive. For an executive order or other Presidential Directive authorizing and directing the Secretary of Defense to provide for the restoration of law and order in a specific state or locality, finance expenses as follows:

A. Employment of active Army military forces. When the Presidential Directive specifies expenses incurred, reimbursement to DoD appropriations will be in accordance with the provisions of that directive. This includes expenses incurred in repositioning resources prior to the issuance of the Presidential Directive. When the Presidential Directive does not specify the fund or appropriation, finance expenses incurred as follows:

1. Finance costs for travel and transportation (except commercial or Air Mobility Command Flights), communications, supplies, and other operating costs from the appropriations of the military service sponsoring the movement of troops, and/or providing the U.S. Government owned transportation.

2. Finance costs for commercial or Air Mobility Command airlift from Army appropriations under Secretary of the Army's responsibilities as the DoD executive agent.

3. Finance costs of military pay, allowances, subsistence, and other costs to military personnel appropriations of military personnel on active duty by the respective parent military department.

B. Employment of Reserve component forces called to active duty. The policies set forth in paragraphs 122003 A.1. and 2. above, apply. Finance Reserve forces called to active duty by the respective parent military department. In the event that the President of the United States determines that it is necessary to increase the number of military personnel on

active duty beyond the number for which funds are provided in the current DoD Appropriation Act, the cost of such increased military personnel is authorized as an accepted expense in accordance with the provisions of 41 U.S.C. 3732, (see section 613(c), general provision of DoD Appropriation Act, 1970, (Public Law 91-171) or similar annual provisions.)

122104. Resources Employed Without Presidential Directive. When the immediate employment of military resources is required in cases of sudden and unexpected civil disturbances or other emergencies endangering life or Federal property or disrupting the normal process of U.S. Government, or in protecting life or Federal property or preventing the disruption of Federal activities, expenses incurred will be financed as a mission responsibility of the DoD component employing the military resources. The policies set forth in subparagraph 122103.A. apply, except that the use of commercial or Air Mobility Command airlift will be financed from the appropriations of the military service sponsoring the movement of troops.

122105. Resources Provided to Other Federal Agencies. Supplies, equipment, and services provided to other Federal agencies will be on a reimbursable basis.

122106. Resources Provided to Civil Authorities. Loan or sale of military equipment to civil authorities will be handled as follows:

A. Loan or sale of equipment other than sale of surplus military equipment. Policies will follow the guidance in DoD Directive 3025.12 (Employment of Military Resources in the Event of Civil Disturbance).

B. Sale of surplus military equipment. Policies set forth in DoD Instruction 4160-21-M (Defense Disposal Manual) will apply.

122107. Reporting Requirements. DFAS-IN/AQA will issue reporting requirements for civil disturbances, as required.

1222 REIMBURSEMENTS FOR SUPPORT OF CONTINGENCY OPERATIONS UNDER THE FOREIGN ASSISTANCE ACT

122201. General. This section provides financial procedures related to DoD activities supporting peacekeeping, humanitarian assistance, noncombatant evacuation operations (NEO) and international disaster relief efforts. For additional guidance, refer to the DoDFMR, Volume 12, Chapter 23 and appropriate supplemental guidance issued by the DFAS Denver Center (DFAS-DE/I).

122202. DoD Policy. DoD policy requires that controls, accounting systems, and procedures provide proper identification and recording of costs in financial records to include the base costs, incremental costs and total costs incurred in supporting contingency operations. For operations, available records must also support bill development and distribution of reimbursements to the applicable organization.

122203. DoD Executive Agent. DFAS-DE is the DoD executive agent for central accounting and billing for Military Department (MILDEP) support of contingency operations in accordance with Sections 607 and 632 of the Foreign Assistance Act. DFAS-DE is responsible for centralized cost consolidation, billing, and reimbursement distribution activities in support of contingency operations. As required, DFAS-DE will assist the operating activities in the identification and accumulation of costs. For cost consolidation at the DoD level, DFAS-DE will prepare a monthly status report by operation, appropriation and appropriate DoD Component, as applicable, that consolidates the certified cost reports submitted by the DoD Components.

122204. Funding Responsibilities.

A. The Letter of Authorization (LoA) is not considered a funded order, and the United Nations (UN) does not provide an advance of funds for the value of the request. Therefore, the operating activity does not receive any additional obligation authority to accomplish the order. The appropriate action office in the DoD Component accomplishes the action using existing funds and requests reimbursement as described in this paragraph.

B. Contingency operations, by definition, have not been included in the Army funding plans. Financial resources, therefore, are not identified as being specifically available for these operations in the annual budget request. The Service Components of the Unified and Specified Commands will collect incremental and total costs, and report these to the Service Comptroller. To the extent that financing has not been provided (for a contingency operation), the Department will pursue additional funding required to ensure that readiness of U.S. forces is not impaired by participation in the operation.

C. Comptrollers of the Unified Commands are responsible for ensuring that financial data reflecting costs incurred in support of contingency operations are reported accurately and in a timely manner through their service components, using the codes included in the operations order.

D. All requests to the U.S. Transportation Command (USTRANSCOM) for transportation services will include a funding source. If USTRANSCOM receives a valid order directing action without a funding source, the parent service of the subordinate command incurring the cost will provide funding.

122205. Cost Collection.

A. Upon notification from the Joint Staff of the initiation of a contingency operation, DFAS-IN will establish appropriate cost identification codes for that operation to capture all related costs.

B. Each organization supporting a contingency operation will capture related obligations and disbursements in its accounting systems(s) at the lowest possible level of the

organization. This provides tracking of obligations and disbursements for any affected appropriation.

C. Costs may be incurred not only in the Area of Responsibility (AOR), but in other locations as well. It is the responsibility of the organization incurring cost in support of the operation, directly or indirectly, to ensure information on all costs is transmitted to the appropriate DoD component Comptroller.

D. Do not establish cost accounting systems solely for the purpose of determining cost for contingency operations. Instead, use the data obtained from existing systems, as applicable. The Comptroller will determine the total and incremental costs.

122206. Cost Reporting.

A. Operating activities will submit cost reports to DFAS-DE not later than 30 days following the end of the month in which the cost occurs. Submit reports with all supporting documentation for reimbursement to DFAS-DE/IFB, 6760 E. Irvington Place, Denver, CO, 90279-2000; FAX is 303-676-6349/7369, DSN 926-6349/7369.

B. Operating activities will submit cost data, by individual operation, in accordance with prescribed formats issued by the DoD Comptroller (DoD(C)).

C. The operating activities cost reports will include all transportation costs (common user/service/agency unique) that are collected in the accounting/cost system. The operating activities will reimburse USTRANSCOM (DWCF-T) for costs and separately reflect such costs in their reports.

D. DFAS-DE will consolidate the cost reports provided by the operating activities and provide reports to DoD (C), Under Secretary of Defense (Policy) (OUSD(P)), Under Secretary of Defense (Personnel & Readiness) (OUSD(P&R)), the Joint Staff and the reporting Components no later than 15 days after receipt from the DoD Components.

122207. Determining Cost. Use the following guidelines to determine the baseline and incremental costs for contingency operations:

A. Baseline Costs. Baseline costs are the continuing annual costs of the Army operations funded by the operation and maintenance, and military personnel appropriations. Essentially, those costs that would be incurred whether or not an operation took place, (i.e., programmed and budgeted costs.) For example, scheduled flying hours, steaming days, training days, exercises, etc.

B. Incremental Costs. Incremental costs are additional costs to the Army appropriations that would not have been incurred if the operation had not been supported. The following are examples of allowable incremental costs:

1. Military entitlements such as premium pay, hazardous duty pay, family separation allowance, or other payments made over and above the normal monthly payroll costs;
2. Increases in the amount of allowances as a result of changes in geographic assignment area due to a contingency (i.e., basic allowance for subsistence (BAS) or basic allowance for quarters (BAQ));
3. Travel and per diem of active duty military personnel and costs of reserve components called to active duty by a federal official and assigned solely to support the contingency;
4. Overtime, travel and per diem of permanent DoD civilian personnel in support of a contingency;
5. Wages, travel, and per diem of temporary DoD civilian personnel hired or assigned solely to perform services supporting the operation;
6. Transportation costs of moving personnel, material, equipment, and supplies to the contingency or contingency staging area, including such things as port handling charges, packing, crating & handling (P,C&H), first and second destination charges, etc.;
7. Cost of rents, communications and utilities that are attributable to the contingency. Telephone service, computer time, satellite time and crypto-traffic support of the contingency are examples of such incremental costs;
8. Cost of work, services, training, and material procured under contract for the specific purpose of providing assistance;
9. Cost of material, equipment and supplies from regular stocks used in providing directed assistance. Price material, equipment and supplies from stock at the standard prices that are used for issues to the DoD activities. Include in this category consumables such as field rations, medical supplies, office supplies, chemicals, cleaning and toilet supplies, ammunition, petroleum, and items ordinarily consumed or expended within one year after they are put into use. Material, equipment and supplies determined to be excess to the DoD will be available for transfer under excess property disposal authority, without reimbursement. Where applicable, operating activities will charge accessorial charges for packing, crating, handling, and transportation for these transfers;
10. Service specific costs for increased operating level or operating tempo (OPTEMPO), (e.g., flight hours for the Air Force or steaming costs for the Navy), require individual determinations.

11. Replacement costs of attrition losses directly attributable to support of the operation;
12. That portion of equipment overhaul and maintenance costs computed on a fractional use basis when the additive cost attributable to the contingency can be identified; and
13. Costs incurred which are paid from trust, revolving, or other funds, and whose reimbursement is required.

122208. Defense Working Capital Fund (DWCF) Support. All DWCF business areas operate on a reimbursable basis with users paying for goods and services provided. Standard DWCF prices for products and stabilized rates for services are used as a means of breaking even. The specific policies for obtaining DWCF business area support for contingency operations and humanitarian efforts are:

- A. Purchasers of DWCF products, or users of DWCF services will reimburse the providing DWCF business entity.
- B. Military department headquarters are responsible for determining the level within their military department that will pay the DWCF for products or services received and designating an office to make payments of all amounts due. Operating activities will ensure all orders for products or services are structured, so that proper billings are made to the designated paying office. Military departments may direct billings to a centralized location to facilitate processing.
- C. Operating activities will not accept orders for DWCF products or services in support of contingency operations or humanitarian efforts without funding.
- D. When an authorized DoD component tasks a service funded unit to perform a mission, the parent military department that owns the equipment or personnel is responsible for payment of DWCF support costs incurred to accomplish the mission.
- E. A specific exception is those instances where a Joint Chiefs of Staff order directs the Commander in Chief, USTRANSCOM to transport non-U.S. owned equipment, or non-U.S. personnel. In this instance, the Army will pay for military traffic management command costs incurred, the Navy will pay for Military Sealift Command costs incurred, and the Air Force will pay for Air Mobility Command costs incurred.
- F. Obligations must be established on the military department financial records of the funds responsible for payment of DWCF billings.
- G. Operating activities will provide a MIPR to advance funds to the FMS trust fund at the DFAS-Denver Center (DFAS-DE/IP), when the furnished product or service is directed through FMS channels. Normal operating procedures for the FMS trust fund apply.

The military department, through a supporting OPLOC/FAO, may draw direct cite obligational authority from the FMS trust fund to execute the order to the DWCF activity. After performance, billings from the DWCF are reimbursed against the FMS case funds. Operating activities will reimburse DFAS-DE/IP against the advance funding (the MIPR) as cash deposits are made by the FMS customer or international organization.

H. Billings to reimburse the DWCF appropriation will be forwarded to the designated paying office of each military department no later than 30 days from the performance against the order for articles or services delivered under the contingency operation or humanitarian effort. Activities are required to pay all non-interfund billings received within 30 calendar days of the billing date.

I. In addition, reimbursement to the appropriations of the military departments can occur if specifically authorized by Congress. Authorized billings seeking reimbursement to appropriations for articles or services provided to the UN will be forwarded to DFAS-DE not later than 30 days following the end of the month in which the cost occurs.

J. If appropriations have not been reimbursed within 180 days of the end of the fiscal year in which deliveries were made, the appropriations will absorb the charges. Operating activities will deposit reimbursements received after that period to the Miscellaneous Receipts account 3041.

K. This guidance does not address any contingency operation designated by the Secretary of Defense as a "National Contingency Operation" under the provisions of 10 U.S.C. 127. Special rules apply for such an operation and guidance will be separately issued under the provisions of that section, when needed.

122209. Cost Offsets. In some instances, cost for which funds have been appropriated may not be incurred as a result of contingency operations. Examples include: BAS not paid; training not conducted; and base operations support not provided. Reported incremental costs should be adjusted for cost offsets.

122210. Leases. The Defense Security Assistance Agency will manage the leases of major end items. Develop leases in accordance with DoD 5150.38-M, Security Assistance Management Manual (SAMM) chapter 12, which is governed by the Arms Export Control Act.

122211. UN Letter of Assistance Costs (UN Determined Costs).

A. The UN will reimburse for costs specifically identifiable to an UN issued LoA that authorizes the provision of goods or services to UN peacekeeping forces. An LoA typically details specific goods, supplies, equipment or assistance to be provided by the contributing U.S. Government and establishes a funding limit that cannot be exceeded for that specific LoA. The UN will reimburse personnel costs at standard rates established by the General Assembly in respect to pay and allowances; supplementary payment for specialists;

usage factor for personal clothing, gear and equipment; and personal weaponry, including ammunition.

B. The UN will reimburse participating countries without a specific request for payment. Reimbursement is based on the monthly average number of personnel in the theater of operations, as reported to the UN headquarters by in-theater UN personnel. The State Department will receive notification from the UN of a pending reimbursement. Prior to reimbursement by the UN, State Department provides this information to the OUSD(P), along with the operation(s), time covered, and number of troop months allowed by the UN. OUSD(P) validates the UN estimate, and provides directions to the UN through the State Department regarding disposition of the reimbursement.

122212. Non Letters of Assistance Costs (U.S. Invoiced Costs). U.S. invoiced costs are the costs of U.S. funded support and assistance approved by the UN for peacekeeping missions, and for which reimbursement is requested from the UN. Support and assistance approved by the UN are outlined in the Aide Memoire or covered by a specific UN issued LoA. Augmentation of support or assistance activities above the level approved by the UN will not be reimbursed by the UN. The following categories are usually covered under the Aide Memoire, and operating activities may submit the following costs for reimbursement:

A. Predeployment. Preparation of personnel and equipment for deployment is the responsibility of the contributing country and will include all preparation costs involved to get the personnel/equipment to the point of embarkation. Reimbursement of these expenses requires certification that detailed documentation is available in the responsible units to validate and substantiate the request for reimbursement.

B. Deployment/Redeployment. Transportation to and from the mission area will normally be by air or sealift, as required. Normally, the UN will organize all deployments and redeployments. These activities may be organized by the U.S. Government contributing troop support, but the arrangements must be agreed upon by the UN in advance. All transportation provided by the Army, must be coordinated and approved by the UN. The UN will base its reimbursement on the U.S. request, but the reimbursement will not exceed the amount it would have cost the UN to organize the move.

C. Self-sufficiency Period. Each contingent force must be self sufficient in theater until UN operations and control is sufficiently established to provide sustainment. All deployed military units should be self-sufficient in rations, water and petroleum, oils, and lubricants (POL) for 30 days, and other classes of supplies for a minimum of the first 60 days after deployment. This period may be extended if the UN is unable to provide the subsistence items within the expected time. The UN will reimburse the normal and agreed to costs incurred during the self-sufficiency period based upon agreement of usage rates or invoiced costs. Reimbursement of these expenses requires certification that detailed documentation is available in the responsible units to validate and substantiate the request for reimbursement.

D. Rotation. The UN will reimburse for normal troop rotation (personnel and their personal gear up to 45 kilograms) on a six-month basis with unit rotation normally arranged by the UN on chartered commercial aircraft after international bidding. The UN will not reimburse the rotation of unit equipment. Reimbursement of these expenses requires certification that detailed documentation is available in the responsible units to validate and substantiate the request for reimbursement.

E. Sustainment Costs. The UN will provide and fund all support for the sustainment of operations beyond self-sufficiency. The UN will furnish the required support either through direct contract provisioning of the support or by negotiating with the contributing country to provide the support under coverage of an LoA. Sustainment costs for UN sanctioned and approved equipment, personnel, and related OPTEMPO are usually recoverable from the UN through the LoA process.

1. At the end of the self-sufficiency period, the UN generally will provide for the supply of food, water, and POL in accordance with the "UN Ration Scale," which may be modified (as satisfactory to both parties.)

2. For vehicles and equipment, the UN will reimburse for the costs of operation, maintenance, and spare parts as agreed to by the UN and provided through the LoA process.

F. Vehicle Use Cost Reimbursement. The UN will reimburse all authorized equipment based on the depletion in value of that equipment while in the use of the UN, and taking into account the age and condition at time of entry into UN service, normal life expectancy, total period actually used by the UN, and condition upon repatriation. This valuation is based on the In/Out-Survey process.

G. Major Equipment Items. For major equipment items (aircraft, vehicles, and equipment), the UN will reimburse the costs of operation, maintenance, spare parts, repairs, overhaul, and depreciation at a standard hourly or mileage rate covering a maximum number of hours or miles per month for each type of equipment. The specific allowances must be negotiated with, and agreed to, by the UN and provided for through the LoA process. To the extent some classes of items normally covered in the standard rate are supplied by the UN, (i.e., POL) or are to be accounted for under separate LoA (i.e., spares), the standard rate structure will be modified to allow for such exceptions. All bills must provide adequate documentation for accountability and certification.

H. In-Survey Process. To determine its liability for reimbursement for Contingent Owned Equipment (COE), the UN requires a schedule of inventory showing the value of each item deployed to a mission area by respective contributing states. The In-Survey schedule, prepared prior to deployment, provides details of all vehicles, stores, and equipment deployed. Upon arrival in the Mission Area, a representative of the UN Field Operations Division (FOD) will check all COE against that listed in the In-Survey document. Upon completion of the inventory, the In-Survey becomes the primary document used for accounting

for COE in the mission area and for assessing UN liability. Failure to compile the In-Survey will result in considerable delays in receiving reimbursement.

I. Out-Survey Process. The In-Survey document is maintained for the duration of a contingent's deployment with adjustments being made as COE issues and receipts are posted. The In-Survey is also adjusted to reflect progressive write-offs of stores and equipment as they occur. When a contingent redeploy, an inspection of all COE is conducted by a representative of FOD. At this time, the Out-Survey columns of the In/Out-Survey document are completed and the condition of the equipment is recorded. This document will provide the status of the equipment and stores upon arrival in and departure from the mission area, and is the basis for the contingent's consumption and depreciation claims to the UN for reimbursement. Provide copies of certified In/Out-Survey documents to the UN Chief Administrative Officer (CAO) in-theater.

122213. Billing. The operating activities determine their billable incremental cost. Billable incremental costs will be less than the full incremental cost when the performing agency has determined to supplement or enhance their support beyond the level agreed to by the requesting organization.

A. Only billable costs are submitted to applicable agencies or international organizations in accordance with the provision of Sections 607 and 632 of the Foreign Assistance Act, applicable U.S. Laws, and requirements of the organization being billed. The billing information provided by the operating activity will include sufficient supporting documentation to satisfy the payee of the validity of the charge. Operating activities will include a detail list of transactions supporting the amount billed with each bill rendered. When required by the billed organization and with approval by the organization supported (i.e., UN, State Department, or other), operating activities will consolidate and include supporting documentation such as receipts, invoices, and copies of requisitions with each bill.

B. DFAS-DE will consolidate the bills from the DoD components for monthly transmittal to the UN or other organizations, as required, and distribute receipts to the DoD components that incurred cost. In addition, DFAS-DE will prepare a monthly status report on amounts billed and reimbursements received for each applicable peace operation. DFAS-DE will provide copies of the monthly cost and billing status reports to the offices of the Under Secretary of Defense for Policy (OUSD(P)), Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)), (ODoD(C)) and the Joint Staff (J-8).

122214. Reimbursement.

A. UN Process. The UN will reimburse contributing countries for the costs of their activities in accordance with its standard procedures, covered in the UN guidelines to contributing U.S. Governments, Aide-Memoires to agreement, Notes Verbale, and specific and general Letters of Assistance. The UN must approve all elements of national contributions and the extent of reimbursement prior to an actual deployment, if possible. Only expenditures in support of an operation approved by the Security Council and authorized by the General

Assembly as a legitimate charge to the UN is eligible for reimbursement. Costs related to deployment and sustainment of forces and equipment, and rotation of personnel (but not equipment) of contributing countries, based on prior agreement with the UN, are eligible for reimbursement by the UN through UN standing procedures. When calculating cost which may be charged to the UN, it is the general practice to seek recovery only of incremental costs born by the contributing country. Financial responsibilities will normally be included as part of the agreement between the contributing countries and the UN, and will include the details of the financial responsibilities of each party. The U.S. position is normally negotiated by the DoD and the Department of State.

B. Noncombatant Evacuation Operations (NEO). Requests for DoD assistance to evacuate U.S. citizens and designated aliens from abroad may be provided by the President, the National Security Counsel (NSC) or the Department of State (DoS). In accordance with Executive Order 12655, the DoS has the lead responsibility for evacuation and protection of U.S. citizens. In accordance with 31 U.S.C. 1535 (the Economy Act), all costs incurred by the DoD in providing assistance for NEO are reimbursable. After the evacuation operation is completed, the finance and accounting or the OPLOC/FAO of the supporting command will collect the cost data and submit bills to DFAS-DE. DFAS-DE will consolidate, validate and submit the bills for reimbursement to the Department of State, ATTN: Bureau of Finance and Management Policy, Washington, DC 20520-7427.

★ADVANCES RECEIVED FROM OTHER SOURCES

| Type of Advance | Dept, FY, Basic Symbol, & OA | ASN | Project | EOR | FSN |
|--|---|------------|----------------|------------|--|
| Advances from armed forces of friendly foreign nations | Funds of the activity performing the work | 9975 | 0975 | none | FSN of the settle- ment office |
| Advances from non- Federal sources and DFAS-DE/I | Funds of the activity performing the work | 9945 | 0945 | None | Servic- ing FSN |
| Advances from other U.S. Government agencies | Funds of the activity performing the work or services | 9946 | 0946 | None | Servic- ing FSN |

Table 12-1

SAMPLE OF COMPLETED DD FORM 448

| | | | | | | |
|---|--|------------------------------------|---|---------------|---------------------------|----------------------------|
| Military Interdepartmental Purchase Request | | | | | 1. PAGE OF PAGES | |
| 2. FSC | 3. CONTROL SYMBOL NO. | 4. DATE PREPARED 30 December 98 | 5. MIPR NUMBER MIPROA00008901 | | 6. AMED NO. Initial | |
| 7. TO: General Services Administration Region 5 Data Services Division Chicago, IL 60604 | | | 8. FROM: (Agency, name, telephone number of originator) Director DFAS Center for Sustaining Forces 8899 E. 56th Street Indianapolis, IN 46249 | | | |
| 9. ITEMS <u>ARE</u> ARE NOT INCLUDED IN THE INTERSERVICE SUPPLY SUPPORT PROGRAM AND REQUIRED INTERSERVICE SCREENING <u> </u> HAS <u> </u> HAS NOT BEEN ACCOMPLISHED. | | | | | | |
| ITEM NO. a | DESCRIPTION (Federal stock number, nomenclature, specification and/or drawing No., etc.) b | | QTY c | UNIT d | ESTIMATED UNIT PRICE e | ESTIMATED TOTAL PRICE f |
| 1 | <p>Prepare and deliver a computer drive simulation to provide the supply, processing, training and equipping requirements for a variety of given demands. The model is intended to predict the potential of the training base to meet the demand for personnel as individuals and units.</p> <p>Preparation and delivery of model will require vendor to prepare, program, and demonstrate the model; document the model and its operation in a user's manual; provide training to users; and deliver report and software (5 copies). Further information contained in attached statement of work.</p> <p>This Economy Act order is placed in accordance with the provisions of DFAS-IN Reg 37-1/DoDFMR, Volume 11.</p> <p>Request copies of all billings be sent to: (See Block #8) POC for this order is: John Doe, DSN 123-4567/Commercial 317-123-4567</p> | | 1 | | \$225,000 | \$225,000.00 |
| 10. SEE ATTACHED PAGES FOR DELIVERY SCHEDULES, PRESERVATION AND PACKAGING INSTRUCTIONS, SHIPPING INSTRUCTIONS AND INSTRUCTIONS FOR DISTRIBUTION OF CONTRACTS AND RELATED DOCUMENTS. | | | | | | \$225,000.00 |
| 12. TRANSPORTATION ALLOTMENT (Used if FOB Contractor's plant) | | | 13. MAIL INVOICES TO (Payment will be made by) DFAS Center for Sustaining Forces, ATTN: DFAS-IN/RDA, 8899 E. 56th St., Indianapolis, IN 46249 | | | |
| | | | W537RQ | | | |
| 14. FUNDS FOR PROCUREMENT ARE PROPERLY CHARGEABLE TO THE ALLOTMENTS SET FORTH BELOW. THE AVAILABLE BALANCES OF WHICH ARE SUFFICIENT TO COVER THE ESTIMATED TOTAL PRICE. | | | | | | |
| ACRN | APPROPRIATION | LIMIT/SUBHEAD | SUPPLEMENTAL ACCOUNTING CLASSIFICATION | | ACCTG STA DODAAD | AMOUNT |
| | 2182020 | 0000 | 57-8307 P871713.11 2572 MIPROA00008901 | | S12101 | \$225,000 |
| 15. AUTHORIZING OFFICER (Type name and title) John Doe, Dir DCD | | | 16. SIGNATURE /s/ | | | 17. DATE 30 Dec 98 |

DD FORM 448
1 JUN 72

PREVIOUS EDITION IS OBSOLETE.

Figure 12-1

| COMPLETION INSTRUCTION BY BLOCK NUMBER FOR DD FORM 448-MILITARY INTERDEPARTMENTAL PURCHASE REQUEST | |
|--|--|
| (1) | Enter number of pages (includes attachments). |
| (2) | Enter Federal supply classification, if applicable. |
| (3) | Enter control symbol number, if applicable. |
| (4) | Enter the date MIPR is prepared. For amendments, enter the date the amendment is prepared. |
| (5) | Enter MIPR number which is also the SDN for a MIPR. See Table 5-4, item FF. |
| (6) | Enter the amendment number of the MIPR. On issuance of the first MIPR, enter "INITIAL". Consecutively number future amendments to the MIPR starting with 01. |
| (7) | Enter the complete address of the agency/activity that will be accepting the MIPR. |
| (8) | Enter the complete address of the agency/activity that is ordering the work/services/supplies. |
| (9) | Check the appropriate blocks. |
| (9a) | Enter the item number that relates to the description. If the MIPR is requesting more than one type of item of work/service, consecutively number each item. |
| (9b) | Enter the description of work/services being requested, the appropriate statement if order is an Economy Act order or a Project Order and a POC. For amendments, explain reason for increase/decrease. |
| (9c) | Enter quantity, if applicable. |
| (9d) | Enter unit of issue, if applicable. |
| (9e) | Enter estimated unit price. For amendment, enter amount of increase/decrease. |
| (9f) | Enter estimated total price (quantity X estimated unit price). For amendment, enter amount of increase/decrease. |
| (10) | Self explanatory. |
| (11) | Enter the grand total of the MIPR. For amendments, enter revised grand total (original amount plus/minus amended amount). |
| (12) | Enter transportation accounting classification if FOB contractor's plant. |
| (13) | Enter the address and DODAAD of the OPLOC/FAO that supports the ordering activity. Bills will be sent to the OPLOC/FAO that supports the ordering activity. Ordering activities may request "copies" of bills with supporting detail to be provided if so stated on the MIPR and agreed to by the performing activity. |
| (14) | In the ACRN block, enter the accounting classification reference number, if applicable. In the following blocks enter the "billed to" accounting classification. If additional space is required for additional fund citations, provide in and attachment to the MIPR and make reference to |

Figure 12-1 (continued)

| | |
|------|---|
| | the attachment on the form. In the supplemental accounting classification block include the SDN which is the same as the MIPR number in block 5. For amendments, enter amount of increase/decrease. |
| (15) | Enter the authorizing officer name (typed or printed). |
| (16) | The authorizing officer will sign here. Electronic signature is authorized. |
| (17) | Enter the date the MIPR signed. For amendments, enter the date the amendment is signed. |

Figure 12-1 (continued)

SAMPLE OF COMPLETED DD FORM 448-2

| ACCEPTANCE OF MIPR | | | | | |
|--|---------------|----------------------|--|--|-----------------------------|
| 1. TO (Requiring Activity Address)(Include ZIP Code) Director, DFAS Center for Sustaining Forces, 8899 E 56th Street Indianapolis, IN 46249 | | | 2. MIPR NUMBER W537RP-0-01 | | 3. AMENDMENT NO. Initial |
| | | | 4. DATE (MIPR Signature Date) 30 December 1998 | 5. AMOUNT (As Listed on the MIPR) \$225,000.00 | |
| 6. The MIPR identified above is accepted and the items requested will be provided as follows: (Check as Applicable) | | | | | |
| a. <input checked="" type="checkbox"/> ALL ITEMS WILL BE PROVIDED THROUGH REIMBURSEMENT (Category I) b. ALL ITEMS WILL BE PROCURED BY THE DIRECT CITATION OF FUNDS (Category II) c. ITEMS WILL BE PROVIDED BY BOTH CATEGORY I AND CATEGORY II AS INDICATED BELOW d. THIS ACCEPTANCE, FOR CATEGORY I ITEMS, IS QUALIFIED BECAUSE OF ANTICIPATED CONTINGENCIES AS TO FINAL PRICE, CHANGES IN THIS ACCEPTANCE FIGURE WILL BE FURNISHED PERIODICALLY UPON DETERMINATION OF DEFINITIZED PRICES, BUT PRIOR TO SUBMISSION OF BILLINGS. | | | | | |
| 7. MIPR ITEM NUMBER(S) IDENTIFIED IN BLOCK 13, "REMARKS" IS NOT ACCEPTED (IS REJECTED) FOR THE REASONS INDICATED. | | | | | |
| 8. TO BE PROVIDED THROUGH REIMBURSEMENT CATEGORY I | | | 9. TO BE PROCURED BY DIRECT CITATION OF FUNDS CATEGORY II | | |
| ITEM NO. a | QUANTITY b | ESTIMATED PRICE c | ITEM NO. a | QUANTITY b | ESTIMATED PRICE c |
| 1 | 1 | \$225,000.00 | | | |
| d. TOTAL ESTIMATED PRICE | | \$225,000.00 | d. TOTAL ESTIMATED PRICE | | |
| 10. ANTICIPATED DATE OF OBLIGATION FOR CATEGORY II ITEMS | | | 11. GRAND TOTAL ESTIMATED PRICE OF ALL ITEMS \$225,000.00 | | |
| 12. FUNDS DATA (Check if Applicable) | | | | | |
| a. ADDITIONAL FUND IN THE AMOUNT OF \$ _____ ARE REQUIRED (See Justification in Block 13) | | | | | |
| b. FUNDS IN THE AMOUNT OF \$ _____ ARE NOT REQUIRED AND MAY BE WITHDRAWN | | | | | |
| 13. REMARKS POC for acceptance of this order is: Harry Hans, Commercial 317-542-3071 or DSN 699-3071. | | | | | |
| 14. ACCEPTING ACTIVITY (Complete Address) GSA Region 5 DA&A Services Div, Chicago, IL 60604 | | | 15. TYPED NAME AND TITLE OF AUTHORIZED OFFICIAL Jack Doe | | |
| | | | 16. SIGNATURE /s/ | | 17. DATE 13 Jan 99 |

DD FORM 448-2

PREVIOUS EDITION WILL BE USED UNTIL EXHAUSTED.

* U.S.G.P.O.: 1987 - 181-032/60818

1 JUL 71

Figure 12-2

| COMPLETION INSTRUCTIONS BY BLOCK NUMBER FOR DD FORM 448-2 (ACCEPTANCE OF MIPR) | |
|---|--|
| (1) | Enter the address of the ordering activity. Address will be the same as that entered on block 8 of the DD Form 448. |
| (2) | Enter the MIPR number. This number will be the same as entered on block 5 of DD Form 448. |
| (3) | Enter the amendment number. This number will be the same as entered on block 6 of DD Form 448. |
| (4) | Enter the signature date. This date will be the same date as entered on block 17 of DD Form 448. |
| (5) | Enter the amount as entered on block 11 of DD Form 448. |
| (6) | Check the appropriate block. |
| (7) | Check, if applicable and enter comment/reasons in block 13. |
| (8) | In blocks 8a through 8c (self explanatory) enter the appropriate data if accepted through reimbursement. For amendments, in Blocks 8c-8d, enter amount of increase/decrease. |
| (9) | In blocks 9a through 9c (self explanatory) enter the appropriate data if accepted as a direct fund cite. It is recommended that the ordering activity issue a message/letter using a direct fund cite instead of the MIPR. For amendments, in Blocks 9c-9d, enter amount of increase/decrease. |
| (10) | Self explanatory. |
| (11) | Enter the grand total of MIPR. If grand total is different than that on DD Form 448, block 11, notify the ordering activity. This will require an amendment. For amendments, enter revised grand total (original amount plus/minus amended amount. |
| (12a) | Check block, if applicable and enter the additional dollar amount needed. Show justification in block 13. |
| (12b) | Check block, if applicable and enter amount that is no longer required and to be withdrawn by the ordering activity. When this block is filled out and returned to the ordering activity, no change orders are required by the ordering activity. Upon receipt of DD Form 448-2 and block 12b is checked and amount shown, adjust obligations accordingly. |
| (13) | Enter remarks, if applicable. Enter the appropriate statement if order is an Economy Act order or a Project Order and a POC. |
| (14) | Enter the complete address of the accepting (performing) activity. |
| (15) | Enter the typed/printed name of the authorized official that is accepting the order. |
| (16) | The authorized official accepting the order will sign here. |
| (17) | Enter date that DD Form 448-2 is signed. |

Figure 12-2 (continued)

SAMPLE OF MEMORANDUM OF AGREEMENTMEMORANDUM OF AGREEMENT
BETWEEN

THE U.S. DEPARTMENT OF _____ AND THE U.S. DEPARTMENT OF THE
ARMY FOR REIMBURSING THE U.S. ARMY FOR _____

I. Purpose. This agreement established the financial arrangements between the Department of (identify the other Federal agency) and the Department of the Army for reimbursing the Department of the Army for (identify the program)

II. Description of Services to be Provided. The Department of the Army is to maintain the capability to respond on an as required basis to the (identify the other Federal agency) requirements for (describe the required support) and to meet the needs of the (other Federal agency) that has limited (identify the support) capabilities

III. Basis for Reimbursement

A. This agreement is entered into under the provisions of (identify the authority, such as the "Economy Act") and provides for a reimbursable order of approximately (identify the dollar amount). This MOA is subject to annual modification as necessary to provide for reimbursement of costs as described below in providing the requested support. The amounts in respective reimbursable orders may not be exceeded by more than (display the ceiling by either a percentage or dollar value) without written approval by the (other Federal agency)

B. Support furnished under this agreement shall be for the costs incurred by the Department of the Army in providing the services

IV. Procedural Arrangements

A. *Estimating.* The Department of the Army will continuously review its actual costs incurred in providing the requested support to ascertain if they are in line with the annual cost estimates. The Department of the Army will promptly advise the (other Federal agency) of any required revisions to the value of this agreement.

B. *Ordering.* The (other Federal agency) will provide a completed order for specific materiel or services to the Department of the Army for acceptance and the identification of the (other Federal agency) accounting data for resulting billings (unless a check is provided in advance). The delivery requirements of the (other Federal agency) will be stated in the order.

C. *Billing.* The Department of the Army will bill the (other Federal agency) on a monthly basis by submitting Standard Form (SF) 1080 (Voucher for Transfers Between Appropriations) and including a breakdown of actual cost elements being reimbursed. The voucher shall be sent or delivered to the (other Federal agency) within 30 days after the month in which the transaction occurred.

D. *Payment of Bills.* The (other Federal agency) paying office will forward check payment along with a copy of billed invoice to the appropriate addressee listed on the billing invoice within 30 days of the date of invoice (unless identified as no check required). Bills rendered are not subject to audit.

V. Effective Date. This agreement is effective (date) and will terminate on (date).

(Other Federal Agency)

(Army Component)

Figure 12-3

SAMPLE OF COMPLETED SF 1080

FOR COLLECTION

CV#557625 Jan 99

| Standard Form 1080 Revised April 1982 Department of the Treasury T. FORM 2-2500 1080-109-08 | | VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS | | VOUCHER NO. <div>915716</div> | | |
|--|------------------|---|-----------|----------------------------------|-----|-------------------|
| Department, establishment, bureau, or office receiving funds Department of the Army Office of Financial Management | | BILL NO. | | SCHEDULE NO. 1366 | | |
| Department, establishment, bureau, or office charged Finance & Accounting Office U.S. Army Engineer District Savannah P. O. Box 889 Savannah, GA 31402 | | PAID BY DSSN 1234 District Eng. Savannah, GA 31402 17 Jan 1999 | | | | |
| ORDER NO. | DATE OF DELIVERY | ARTICLE OR SERVICE | QUAN-TITY | UNIT PRICE | | AMOUNT |
| | | | | COST | PER | DOLLARS AND CENTS |
| MIPR-IA0294 | | Transportation expenses for John Doe from Savannah, GA to Indianapolis, IN and return. At the request of District Engineer Savannah in conjunction with reimbursable order. | | | | 516.29 |
| | | | | TOTAL | | 516.29 |
| Remittance in payment hereof should be sent to-- <div> Department of the Army Division of Financial Management Office Financial Operation (Tel #510-4567) Indianapolis, IN 46249-0001 </div> | | | | | | |
| ACCOUNTING CLASSIFICATION--Office Receiving Funds | | | | | | |
| 2192020.0000 38-8301 878716.60 211J MIPRCOEIA0294F AY33 S12102 | | | | | | |
| CERTIFICATE OF OFFICE CHARGED | | | | | | |
| I certify that the above articles were received and accepted or the services performed as stated and should be charged to the appropriation(s) and/or fund(s) as indicated below; or that the advance payment requested is approved and should be paid as indicated. | | | | | | |
| <div>13 Jan 1999</div> (Date) | | <div> Mary Doe (Authorized administrative or certifying officer) Chief of Financial Services </div> | | | | |
| ACCOUNTING CLASSIFICATION--Office Charged | | | | | | |
| 96X3124,GE,CE,Civil EA6026100008803(DA) S96490 | | | | | | |
| Paid by Check No. 123456789 | | | | | | |

NSN 7540-00-634-4230

Previous Editions Are Usable

Figure 12-4

| COMPLETION INSTRUCTIONS FOR SF 1080-VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS | |
|--|---|
| (1) | Office, department establishment, or bureau receiving funds. |
| (2) | Address of the office charged-should be address of OPLOC/FAO supporting the ordering activity. |
| (3) | MIPR number, reimbursable order number, delivery order number, and so forth. |
| (4) | Date of delivery, if applicable. |
| (5) | Description of services or itemization of bill, date of bill, payment due date. |
| (6) | Quantity, if applicable. |
| (7) | Unit price cost, total, if applicable. |
| (8) | Unit price, cost per unit. |
| (9) | Amount. |
| (10) | Address where remittance/payment is to be sent. Provide a telephone number and the payment due date in this block. |
| (11) | Accounting classification of the performing activity. |
| (12) | Certification statement of office charged-original signature required. |
| (13) | Accounting classification of ordering activity. |
| (14) | Check number of check provided by the remitter. |
| (15) | Voucher number-provided when check payment is made. |
| (16) | Voucher schedule number-internal to the disbursing office. |
| (17) | Bill number of the SF 1080. |
| (18) | Self-explanatory. |
| (19) | For collection with collection voucher number-SF 1080 is marked for collection when check is received. DD Form 1131 is not required nor recommended to be used when check is received for collection. |

Figure 12-4 (continued)

SAMPLE OF MECHANIZED SF 1080

PREPARED VOUCHER FOR TRANSFER BETWEEN APPROPRIATIONS AND/OR FUNDSAS OF 31 MAY 93
31 MAY 99

D.O. VOUCHER NO. BU VOUCHER NO. CUST ID PAID BY CHECK NO. COLLECTION VOU. NO.

33F "NO CHECK DRAWN"

ACCOUNT OF

BILLED OFFICE (MAIL TO):

BILLING OFFICE (SEND REMITTANCE TO):

"BILL TO ADDRESS-
COMPLETE WITH ZIP
CODE"

"COMPLETE BILLING OFFICE
ADDRESS TO INCLUDE ZIP CODE"

| CUST NBR | BILL NBR | REF NBR | REF DATE | BILLING ACCOUNTING CLASSIFICATION | COLLECTION AMOUNT | DISBURSEMENT AMOUNT |
|--|-------------|------------|-------------|--|----------------------|------------------------|
| 33F09 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$860.00 | |
| BILLED ACCOUNTING CLASSIFICATION SUB-TOTAL | | | | | S | \$860.00 |
| 33F01 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$6,578.00 | |
| 33F02 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$15,588.00 | |
| 33F03 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$1,396.00 | |
| 33F04 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$522.00 | |
| 33F05 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$12,016.00 | |
| 33F06 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$21.00 | |
| 33F07 8 | A0000 | | | 21 92020 0000 057 7 0F00 810000 S012102 | \$9,322.00 | |
| 33F08 8 | A0000 | | | 21 92020 0000 057 7 0687 720000 S012102 | \$160.00 | |
| BILLED ACCOUNTING CLASSIFICATION SUB-TOTAL | | | | | 0 S | \$45,603.00 |
| | | | | | PAY THIS AMOUNT | \$46,463.00 |

CERTIFICATE OF OFFICE BILLED

I CERTIFY THAT THE ABOVE ARTICLES WERE RECEIVED AND ACCEPTED OR THE SERVICE PERFORMED AS STATED AND SHOULD BE CHARGED TO THE APPROPRIATION(S) AND/OR FUND(S) AS INDICATED ABOVE; OR THAT THE ADVANCE PAYMENT REQUESTED IS APPROVED AND SHOULD BE PAID AS INDICATED.

AUTHORIZED ADMINISTRATIVE OR CERTIFYING OFFICER

TITLE

FOR USE IN LIEU OF SF 1080

Figure 12-5.

| COMPLETION INSTRUCTIONS FOR A MECHANIZED (ELECTRONIC) SF 1080- VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS | |
|---|--|
| (1) | Date prepared-system generated date of bill. |
| (2) | End of billing period date. |
| (3) | Disbursing office voucher number. |
| (4) | Bureau voucher number. |
| (5) | Customer identification number. |
| (6) | Check number or "No Check Drawn" if no check was issued. |
| (7) | Collection voucher number-used when check is received. DD Form 1131 is not used upon receipt of check. Billing document is also used as a collection voucher. |
| (8) | Brief block stamp of the accountable office. |
| (9) | Mail to address or the billed to office address. |
| (10) | Mailing address of appropriate accounting activity to receive check payment or address of credit for no-check drawn bill. Provide telephone number in this block. |
| (11) | Customer order number. |
| (12) | Bill number. |
| (13) | Reference number. |
| (14) | Reference date. |
| (15) | Billing accounting classification. |
| (16) | Billed accounting classification. |
| (17) | Collection amount. |
| (18) | Disbursement amount. |
| (19) | Amount to be paid or amount charged. Annotation of the payment due date is required by the billing office. Provide payment due date (DDMMYY) to the left of "PAY THIS AMOUNT". |
| (20) | Certifying officer statement and signature of office billed. |

Figure 12-5 (continued)

| COMPLETION INSTRUCTIONS FOR DA FORM 1857 | |
|--|--|
| (1) | Address of billing office, provide telephone number for inquiries. |
| (2) | Mail to address of debtor. |
| (3) | Account number-locally assigned. |
| (4) | Bill number-locally assigned. |
| (5) | Payment due date from debtor. |
| (6) | Billing date. |
| (7) | Date ending for service period. |
| (8) | Detail description of charges. |
| (9) | Amount for each detail charge. |
| (10) | Accounting classification(s) for charges and related amounts. |
| (11) | Due process statement. |
| (12) | Balance brought forward (unpaid amount) from prior billing period. |
| (13) | Current charges-should equal total of detail charges in # 8 above. |
| (14) | Taxes, if applicable. |
| (15) | Late interest penalty, if applicable. |
| (16) | Additional late interest penalty of 6% a year. |
| (17) | Administrative fee for late payment. |
| (18) | Total amount to be paid. |

Figure 12-6 (continued)